

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

[illegible]

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came on for hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on March 24, 1998, and as a result of action taken by the Board on that date, the Board hereby enters this Order.
2. **Appearances:** Jill Harrison of the firm Penn Stuart appeared in behalf of the Applicants; Sandra B. Riggs, Assistant Attorney General was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code § 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the establishment and maintenance of the escrow account established by the Board for the Subject Drilling Unit pursuant to the terms of the Pooling Order, the Supplemental Order and the Amended Supplemental Order (herein "Escrow Account") into which the Unit Operator is required to deposit those funds specified in the escrow requirements of the Virginia Gas and Oil Act (herein "Act") found at Va. Code § 45.1-361.21.D., 45.1-361.22.A.2., 45.1-361.22.A.3, and 45.1-361.22.A.4. (herein "Escrowed Funds"). Further, the Board finds: (1) that it does not have jurisdiction to resolve conflicting claims of ownership to the Coalbed Methane Gas being produced by the Unit Operator from wells located on Subject Drilling Unit, (2) that it does not have jurisdiction to interpret voluntary agreements between the Gas owners/claimants and the Unit Operator or to abridge or contravene the provisions of such agreements, and (3) that pursuant to Va. Code § 45.1-361.22.A.5, it does have jurisdiction and authority to disburse funds from the Escrow Account provided there has first been either a legal determination of Applicants' entitlement with respect to the liquidated amount of the funds on deposit in the Escrow Account attributable or allocable to Applicants'.

interest therein or there is an agreement by all of the owners/claimants within the drilling unit as to the amount of their respective Entitlement to the Escrowed Funds. The Applicants have represented to the Board that they have given notice to all parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.22 to notice of this application, i.e., those persons set forth in Exhibit E hereto (persons identified by the Operator in the Escrow Accounting as being owners/claimants whose interests in Subject Drilling Unit are subject to the escrow requirements of the Act and the Pooling Order (persons whose Entitlements have purportedly been placed by the Unit Operator into the Escrow Account and who, according to the Operator, are the claimants to the Escrowed Funds). The Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Prior Proceedings:

4.1 At the Board's hearing on October 24, 1995 in Docket Nos. VGOB 95-1024-0526, the Board granted the relief sought by Buchanan Production Company (herein "Operator") and pooled the interests in the Subject Formations in the Subject Drilling Unit underlying the Subject Lands for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein collectively referred to as "Coalbed Methane Gas" or "Gas") from all coal seams below the Tiller Seam, including the Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper Horsepen, Middle Horsepen, War Creek, , Lower Horsepen, Pocahontas No. 9, Pocahontas No. 8, Pocahontas No. 7 Pocahontas, No. 6 Pocahontas No. 5, Pocahontas, No. 4, Pocahontas No. 3, Pocahontas No. 2 and various unnamed coal seams and rock strata associated therewith, (herein "Subject Formations") pursuant to Va. Code §§ 45.1-361.21 and 45.1-361.22, and the terms of the Pooling Order, and the Board named the CONSOL Inc. as the Operator. The Supplemental Order incorporating the Operator's Affidavit of Election was entered by the Board *sua sponte* to comply with the requirements of the Board's Regulation 4 VAC 26-160.70.C. by supplementing the Pooling Order to complete the record regarding elections and to identify to the Board those claimants whose interests were subject to the escrow requirements of Act and the Pooling Order.

4.2 In their application to the Board to withdraw those funds in the Escrow Account which Applicants claim are uniquely attributable to their mutually conflicting Gas interests within Subject Drilling Unit, the Applicants warranted and represented to the Board that:

a. Torch and PGP are the sole claimants to the following interests within Subject Drilling Unit:

<u>Tract</u>	<u>Aggregate Undivided Interest In Tract</u>	<u>Aggregate Interest in Unit</u>
12	CCC – 100% of Oil and Gas Torch – 100% of Coal	1.6369%
16	CCC – 100% of Oil and Gas Torch – 100% of Coal	2.1446%
20	CCC – 100% of Oil and Gas Torch – 100 of Coal	<u>0.2192%</u>
	Total	4.0007%

b. By Assignment and Bill of Sale dated as of December 29, 1997 (herein "Assignment"), effective September 4, 1991 Trust assigned to Torch (1) the Gas Lease Royalty insofar as it relates to the production of Methane from the Conflict Property and the Non-Conflict Property and any gas royalty rights with respect to Methane that arise by operation of law or otherwise in all properties and lands pooled, unitized, communitized or consolidated with such properties (the "Royalty

Interest”) and (2) the royalties which have been held in escrow by Premier Bank as Escrow Agent and the royalty held by CCC pending the resolution of the conflicting claims to the Gas Lease Royalty, other than royalties that have been released or will be released pursuant to the term of the Garden Realty Settlement Agreement (the “Escrowed Funds”).

- c. That by the Assignment Trust assigned to Torch the Escrowed Funds attributable to the tracts identified in paragraph 4.2.a. above.
- d. Trust, Torch and CCC by agreement dated December 30, 1997 (herein “Settlement Agreement”) agreed that the portion of the Escrowed Funds uniquely attributable to their conflicting interests in Subject Drilling Unit, once determined, were to be paid as follows: a sum equal to fifty percent (50%) to CCC and a sum equal to fifty percent (50%) to Torch.

4.3 Through the application filed herein, the Applicants seek a partial disbursement of funds from the Escrow Account. A review of the Pooling Order and Supplemental Order reveals that:

- a. the Applicants have purportedly entered into voluntary agreements with the Operator with respect to their interests in Subject Drilling Unit, and
- b. the Operator’s Affidavit of Election of February 26, 1997 which was attached to and made a part of the Supplemental Order indicates that the only interests within Subject Drilling Unit that was subject to the escrow requirements of the Act and the Pooling Order were those of the persons identified in (1) Exhibit B-3, persons deemed to have leased and/or (2) Exhibit E as “List of Conflicting Owners/Claimants”, copy attached hereto. Those tract(s) in which Trust and CCC both held an interest (Trust as the coal owner and CCC as the gas and oil owner) were:

<u>Tract</u>	<u>Aggregate Undivided Interest In Tract</u>	<u>Aggregate Interest in Unit</u>
Tract #11	7.40 acres	1.16694%
Tract #12	10.38 acres	1.63687%
Tract #16	13.60 acres	2.14464%
Tract #20	1.39 acres	0.21919%

5. **Relief Requested:** Applicants requested that the Board (1) calculate the amount(s), in the aggregate, attributable to Tract 12, 16 and 20 pursuant to the terms of Applicants’ voluntary agreements with the Operator, (2) provide for an accounting of said sums by the Operator and by the Escrow Agent to the Applicants, (3) disburse all sums due the Applicants by virtue of their voluntary agreements and/or the Pooling Order, including applicable earnings, whether held by the Operator and/or the Escrow Agent, in the manner set forth in the Settlement Agreement, and (4) effective direct the Operator to discontinue the payment of Applicants’ Entitlements attributable to their conflicting claims within Tract 12, 16 and 20 into the Escrow Account, but rather to disburse such funds, including any applicable earnings, together with an accounting thereof, to Applicants in accordance with the Settlement Agreement.

6. **Special Findings:**


- 6.1. The Operator’s affidavit filed in support of the Supplemental Order indicates that the Operator is depositing funds into the Escrow Account for the tracts identified in Paragraph 4.3.b. above and on Exhibit E hereto. The Board is unable to determine from the evidence presented when the Operator commenced depositing funds attributable to Applicants’ interest in Subject Drilling Unit into the Escrow Account, or the period of time during which said funds have been on deposit in the Escrow Account.
- 6.2. There is a discrepancy between the application filed herein and Exhibit E hereto as can be seen by a comparison of Paragraph 4.2.a. above to Paragraph 4.3.b. above.

- 6.3. The Pooling Order, the Supplemental Order, and the Board's contract with the Escrow Agent directed and authorized the Escrow Agent to set up one escrow account for the Subject Drilling Unit and to receive from the Operator for deposit into that account proceeds subject to the Escrow Requirements of the Act and the Pooling Order. Funds within the VP8-SGU1 Drilling Unit Escrow Account are not segregated by tract within the drilling unit, nor is interest accrued or fees assessed on a tract-by-tract basis.
- 6.4. Va. Code § 45.1-361.22.A.5. provides that *"The Board shall order payment of principal and accrued interest from the escrow account to all persons legally entitled thereto pursuant to the provisions of § 45.1-361.21 and the order of the Board. Such order shall be issued within thirty days of receipt of notification of the final legal determination of entitlement thereto or upon agreement of all claimants."* Neither the Act or the regulations promulgated pursuant thereto define the term "entitlement"; therefore, the Board in applying its common meaning as set forth in Black's Law Dictionary (right or benefits, income or property, which may not be abridged without due process), the Board defines the term "entitlement" as used in Va. Code § 45.1-361.22.A.5. to mean *"the liquidated dollar amount of that portion of the Escrowed Funds which is uniquely attributable to each Gas Owner's interest in Subject Drilling Unit to be comprised of the Principal deposited by the Operator into the Escrow Account, plus interest accruing on the Principal for the period of time said Principal was on deposit in the Escrow Account (herein "Interest"), less the fees charged by the Escrow Agent to the Escrow Account allocable to Applicants' interests in Subject Drilling Unit (herein "Fees") (herein Principal, plus Interests less Fees is collectively referred to as "Entitlement").*
- 6.5. In determining whether or not Applicants have established their Entitlement in the Escrowed Funds, the Board finds that: (1) with respect to the application herein, there has been no final legal determination of Applicants' entitlement to the Escrowed Funds, (2) all of the persons identified by the Operator as having or claiming Gas interests within Subject Drilling Unit for which funds are being deposited by the Operator into the Escrow Account have not resolved their conflicting claims or agreed to their respective Entitlement and (3) there are discrepancies between what the Applicants claim to be their aggregate interest in the Escrowed Funds and what the Operator represents Applicants' aggregate interest in the Escrowed Funds to be.
7. **Relief Granted:** Therefore:
- 7.1 Applicants' request for an accounting is granted and the Operator is directed to determine and file with the Board, broken down on a tract-by-tract basis, an historical, chronological and itemized summary of each and every deposit Operator has made into the Escrow Account.
- 7.2 For the reasons set forth in Paragraph 6 above, Applicants' request for disbursement of funds from the Escrow Account is continued to allow for the presentation to the Board of the information required by Paragraph 7.1; to allow Applicants an opportunity to receive, review and comment on the accounting; to allow Applicants an opportunity to reconcile the differences between the representation and warranties contained in their application and the representations of the Operator as set forth in Exhibit E hereto; and to allow the Board to review further information and evidence before making a final ruling in this matter.
8. **Conclusion:** Therefore, the relief granted is just and reasonable, is supported by substantial evidence, and the Board is entering this Order granting the relief requested as more particularly set forth in Paragraph 7 above and IT IS SO ORDERED.
9. **Effective Date:** This Order shall be effective as of the date of its execution.

DONE AND EXECUTED this 10th day of November, 1998, by a majority of the Virginia Gas and Oil Board.



Chairman, Benny R. Wampler

DONE AND PERFORMED this 17th day of November, 1998, by Order of this Board.


Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA)
COUNTY OF WISE)

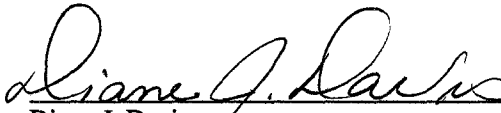
Acknowledged on this 10th day of November, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires July 31, 2002

COMMONWEALTH OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 12th day of November, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires September 30, 2001

VP 8 - S G U 1
Docket No. VGOB-95/10/24-0528
Exhibit E
List of Conflicting Owners/Claimants

	Net Acres in Unit	Interest in Unit
<u>TRACT #2 - 4.94 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	4.94 acres	0.77901%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Norfolk Southern 185 Spring Street Atlanta, GA 30303	4.94 acres	0.77901%
<u>TRACT #3 - 42.96 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	42.96 acres	6.77454%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Dianna Graham P.O. Box 255 Aylett, VA 23009	42.96 acres	6.77454%
Grundy National Bank (potential claimant) P.O. Box 2080 Grundy, VA 24614		
<u>TRACT #6 - 0.52 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	0.52 acres	0.08200%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Virgil Lee Hess, et al Rt. 2 Box 83 Oakwood, VA 24631	0.52 acres	0.08200%
<u>TRACT #7 - 2.03 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	2.03 acres	0.32012%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) John P. Ratliff Rt. 2 Box 60 Oakwood, VA 24631	2.03 acres	0.32012%

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	Net Acres In Unit	Interest in Unit
<u>TRACT #8 - 0.34 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	0.34 acres	0.05362%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Pauline Ratliff Brown Rt. 2 Box 45 Oakwood, VA 24631	0.34 acres	0.05362%
<u>TRACT #9 - 0.16 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	0.16 acres	0.02523%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Connie Hess Street, et al Rt. 2 Box 73 Oakwood, VA 24631	0.16 acres	0.02523%
<u>TRACT #10 - 36.23 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) T.R. Mullins, et al	36.23 acres	5.71328%
(a) Mildred C. Mullins 2500 Myers Avenue Dunbar, WV 25064	4.0256 acres 1/9 of 36.23 acres	0.63481%
(b) Ted R. Mullins, Jr. Sandra M. Gerende 2500 Myers Avenue Dunbar, WV 25064	8.0511 acres 2/9 of 36.23 acres	1.26961%
(c) Augustus C. Mullins Estate c/o Madeline M. Hunt P.O. Box 7305 Zephyrhillis, FL 33544	12.0767 acres 1/3 of 36.23 acres	1.90442%
(d) George W. Mullins Executor Estate of John L. Mullins, Sr. Rt. 1 Box 40, Evergreen Hills Cottageville, WV 25239	12.0767 acres 1/3 of 36.23 acres	1.90442%
<u>OIL & GAS FEE OWNERSHIP</u>		
(11) Gaston Cook Heirs	36.23 acres	5.71326%
(a) Mary Ann Bartram 1539 Nicolay Way Baltimore, MD 21201	3.623 acres 1/10 of 36.23 acres	0.57133%

List of Conflicting Owners/Cialmants

	Net Acres in Unit	Interest in Unit
(b) Jean C. Cline 1373 Ironwood Street Woodbridge, VA 22191	3.623 acres 1/10 of 36.23 acres	0.57133%
(c) Harold V. Cook P.O. Box 305 Oakwood, VA 24631	3.623 acres 1/10 of 36.23 acres	0.57133%
(d) Leslie K. Cook 2733 North Crede Avenue Crystal River, FL 32629	3.623 acres 1/10 of 36.23 acres	0.57133%
(e) Mamie K. Cook 1373 Ironwood St. Woodbridge, VA 22191	3.623 acres 1/10 of 36.23 acres	0.57133%
(f) Robert B. Cook Box 21 Rowe, VA 24646	3.623 acres 1/10 of 36.23 acres	0.57133%
(g) Nancy C. Duty P.O. Box 816 Grundy, VA 24614	3.623 acres 1/10 of 36.23 acres	0.57133%
(h) Lawonne C. Gibson 2117 Old York Road York, SC 29745	3.623 acres 1/10 of 36.23 acres	0.57133%
(i) Kathy Diane Webb P.O. Box 262 Doran, VA 24612	3.623 acres 1/10 of 36.23 acres	0.57133%
(j) Francis C. Hinchee 14411 North Fairview Lane Woodbridge, VA 22191	3.623 acres 1/10 of 36.23 acres	0.57133%
(k) Hazel C. Hart 1384 Longview Drive Apt. 5 Woodbridge, VA 22191	(conflicting owner unknown interest)	

TRACT #11 - 7.40 acresCOAL FEE OWNERSHIP

(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	7.40 acres	1.16694%
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OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company Attn.: Land Dept. 1800 Washington Road Pittsburgh, PA 15241	7.40 acres	1.16694%
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	Net Acres In Unit	Interest In Unit
<u>TRACT #12 - 10.38 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	10.38 acres	1.63687%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Consolidation Coal Company Attn.: Land Dept. 1800 Washington Road Pittsburgh, PA 15241	10.38 acres	1.63687%
<u>TRACT #13 - 27.34 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	27.34 acres	4.31136%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Buchanan Production Company P.O. Box 947 Bluefield, VA 24605	27.34 acres	4.31136%
<u>TRACT #14 - 28.31 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	28.31 acres	4.46432%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Buchanan Production Company P.O. Box 947 Bluefield, VA 24605	28.31 acres	4.46432%
<u>TRACT #15 - 67.35 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	67.35 acres	10.62070%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Gaston Cook Heirs	67.35 acres	10.62070%
(a) Mary Ann Bartram 1539 Nicolay Way Baltimore, MD 21201	6.735 acres 1/10 of 67.35 acres	1.06207%

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	Net Acres in Unit	Interest in Unit
(b) Jean C. Cline 1373 Ironwood Street Woodbridge, VA 22191	6.735 acres 1/10 of 67.35 acres	1.06207%
(c) Harold V. Cook P.O. Box 305 Oakwood, VA 24631	6.735 acres 1/10 of 67.35 acres	1.06207%
(d) Leslie K. Cook 2733 North Crede Avenue Crystal River, FL 32629	6.735 acres 1/10 of 67.35 acres	1.06207%
(e) Mamie K. Cook 1373 Ironwood St. Woodbridge, VA 22191	6.735 acres 1/10 of 67.35 acres	1.06207%
(f) Robert B. Cook Box 21 Rowe, VA 24646	6.735 acres 1/10 of 67.35 acres	1.06207%
(g) Nancy C. Duty P.O. Box 816 Grundy, VA 24614	6.735 acres 1/10 of 67.35 acres	1.06207%
(h) Lawonne C. Gibson 2117 Old York Road York, SC 29745	6.735 acres 1/10 of 67.35 acres	1.06207%
(i) Kathy Diane Webb P.O. Box 262 Doran, VA 24612	6.735 acres 1/10 of 67.35 acres	1.06207%
(j) Francis C. Hinchee 14411 North Fairview Lane Woodbridge, VA 22191	6.735 acres 1/10 of 67.35 acres	1.06207%
(k) Hazel C. Hart 1384 Longview Drive Apt 5 Woodbridge, VA 22191	(conflicting owner unknown interest)	

TRACT #18 - 13.60 acres

COAL FEE OWNERSHIP

(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	13.60 acres	2.14464%
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OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company Attn.: Land Dept. 1800 Washington Road Pittsburgh, PA 15241	13.60 acres	2.14464%
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	Net Acres In Unit	Interest In Unit
<u>TRACT #17 - 50.47 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	50.47 acres	7.95882%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) W.S. Ellis Heirs James W. Huffman, Agent 296 Timberleaf Beavercreek, OH 45430	50.47 acres	7.95882%
<u>TRACT #18 - 39.66 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	39.66 acres	6.25415%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Permac, Inc. P.O. Box 1349 Bluefield, VA 24605-4349	39.66 acres	6.25415%
<u>TRACT #19 - 1.50 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	1.50 acres	0.23654%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Gaston Cook Heirs	1.50 acres	0.23654%
(a) Mary Ann Bartram 1539 Nicolay Way Baltimore, MD 21201	0.150 acres 1/10 of 1.50 acres	0.02365%
(b) Jean C. Cline 1373 Ironwood Street Woodbridge, VA 22191	0.150 acres 1/10 of 1.50 acres	0.02365%
(c) Harold V. Cook P.O. Box 305 Oakwood, VA 24631	0.150 acres 1/10 of 1.50 acres	0.02365%
(d) Leslie K. Cook 2733 North Crede Avenue Crystal River, FL 32629	0.150 acres 1/10 of 1.50 acres	0.02365%
(e) Mamie K. Cook 1373 Ironwood St. Woodbridge, VA 22191	0.150 acres 1/10 of 1.50 acres	0.02365%

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	Net Acres in Unit	Interest in Unit
(f) Robert B. Cook Box 21 Rowe, VA 24646	0.150 acres 1/10 of 1.50 acres	0.02365%
(g) Nancy C. Duty P.O. Box 816 Grundy, VA 24614	0.150 acres 1/10 of 1.50 acres	0.02365%
(h) Lawonne C. Gibson 2117 Old York Road York, SC 29745	0.150 acres 1/10 of 1.50 acres	0.02365%
(i) Kathy Diane Webb P.O. Box 262 Doran, VA 24612	0.150 acres 1/10 of 1.50 acres	0.02365%
(j) Francis C. Hinchee 14411 North Fairview Lane Woodbridge, VA 22191	0.150 acres 1/10 of 1.50 acres	0.02365%
(k) Hazel C. Hart 1384 Longview Drive Apt. 5 Woodbridge, VA 22191	(conflicting owner unknown interest)	

TRACT #20 - 1.39 acres

COAL FEE OWNERSHIP

(1) Hugh MacRae Land Trust P.O. Box 29 Tazewell, VA 24651	1.39 acres	0.21919%
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OIL & GAS FEE OWNERSHIP

(1) Consolidation Coal Company Attn.: Land Dept. 1800 Washington Road Pittsburgh, PA 15241	1.39 acres	0.21919%
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TRACT #22 - 11.14 acres

COAL FEE OWNERSHIP

(1) T.R. Mullins, et al	11.14 acres	1.75671%
(a) Mildred C. Mullins 2500 Myers Avenue Dunbar, WV 25064	1.2378 acres 1/9 of 11.14 acres	0.19519%
(b) Ted R. Mullins, Jr. Sandra M. Gerende 2500 Myers Avenue Dunbar, WV 25064	2.4756 acres 2/9 of 11.14 acres	0.39038%
(c) Augustus C. Mullins Estate c/o Madeline M. Hunt P.O. Box 7305 Zephyrhills, FL 33544	3.7133 acres 1/3 of 11.14 acres	0.58557%

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	Net Acres in Unit	Interest in Unit
(d) George W. Mullins Executor Estate of John L. Mullins, Sr. Rt. 1 Box 40, Evergreen Hills Cottageville, WV 25239	3.7133 acres 1/3 of 11.14 acres	0.58557%

OIL & GAS FEE OWNERSHIP

(1) Buchanan Production Company P.O. Box 947 Bluefield, VA 24605	11.14 acres	1.75671%
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TRACT #24 - 0.30 acres

COAL FEE OWNERSHIP

(1) Landon Wyatt, et al P.O. Box 1566 Danville, VA 24543	0.30 acres	0.04731%
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OIL & GAS FEE OWNERSHIP

(1) Commonwealth of Virginia 870 Bonham Road Bristol, VA 24201	0.3 acres	0.04731%
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VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 10th day of April, 1997 at 12:05 P. M.
Deed Book No. 2160 and Page No. 240 TESTE: James M. Bevins, Jr., Clerk
Returned this date to; Deputy Clerk TESTE: Patricia L. Mel Deputy Clerk

POBk 1416
Abingdon, VA 24212